LEGISLATIVE SERVICES AGENCY OFFICE OF FISCAL AND MANAGEMENT ANALYSIS

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FISCAL IMPACT STATEMENT

LS 7287 NOTE PREPARED: Jan 7, 2003

BILL NUMBER: HB 1313 BILL AMENDED:

SUBJECT: Purple Heart Recipient Registration Fee.

FIRST AUTHOR: Rep. Kruse BILL STATUS: As Introduced

FIRST SPONSOR:

FUNDS AFFECTED: GENERAL IMPACT: State

X DEDICATED FEDERAL

<u>Summary of Legislation:</u> This bill provides that effective January 1, 2004, there is no annual registration fee for a passenger motor vehicle designated as belonging to a person who has received a Purple Heart decoration.

Effective Date: July 1, 2003.

Explanation of State Expenditures: For the Bureau of Motor Vehicles (BMV), there will be one-time computer changes to accommodate the registering of passenger motor vehicles designated as belonging to a person who has received a Purple Heart decoration, but who pay no annual registration fee. The one-time computer changes are estimated at \$10,000. The fund affected is the Motor Vehicle Highway Account (MVHA), which supports the BMV.

Explanation of State Revenues: There will be an annual revenue loss estimated at approximately \$67,450, based on the issuance of 7,594 Purple Heart license plates. The reduced revenues are to the Motor Vehicle Highway Account (\$60,410) and the State License Branch Fund (\$7,024), which supports the state license branches. The revenue loss over time will depend upon the number of Purple Heart license plates issued.

Background Information: Based on national data for medals issued during principal wars in which the United States participated and adjusted for Indiana's population, it appears that most Indiana residents eligible for the Purple Heart have purchased them under the current conditions.

Explanation of Local Expenditures:

Explanation of Local Revenues:

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State Agencies Affected: Bureau of Motor Vehicles; Bureau of Motor Vehicles Commission.

Local Agencies Affected:

<u>Information Sources:</u> Jane Morrical, Director of Treasury, Bureau of Motor Vehicles, 232-2822.

Fiscal Analyst: James Sperlik, 317-232-9866.

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